

# MEAT PACKING SPECIAL INVESTIGATOR ACT (S. 2036)

*Introduced By Senators Jon Tester (D-Mont.), Chuck Grassley (R-Iowa),  
and Mike Rounds (R-S.D.)*

## BACKGROUND

Congress passed the Packers and Stockyards (P&S) Act in 1921 to address serious concerns about anticompetitive activities among meat packers. The P&S Act provides the U.S. Department of Agriculture (USDA) the authority to protect farmers, ranchers, and consumers from unfair, deceptive, discriminatory, and monopolistic practices.

However, anticompetitive behavior in the meat packing industry is still hurting both consumers and producers. The meat packing industry is more consolidated today than it was when the P&S Act was first signed into law 100 years ago. For example, just four companies operate 18 of the top 20 beef slaughter facilities in the country.

## PROBLEM

Unfair, anticompetitive practices in the meat packing industry put rural communities and the family agriculture way of life at risk. Producers across the country are facing uncertainty about access to a competitive market as a result of consolidation.

Consolidation also makes America's food supply vulnerable to attack, a growing risk made clear by the recent ransomware attack on the world's largest meat packer, which forced it to close all of its facilities in the U.S. for several days. Ensuring America's food security is no longer just an issue of fixing broken markets to ensure they function properly—it is an issue of national security.

While the USDA and the Department of Justice (DOJ) have both made commitments to address consolidation, little has been done to create lasting change. It is clear the USDA needs additional tools to investigate anticompetitive practices and enforce the P&S Act in the face of growing threats and consolidation.

## MEAT PACKING SPECIAL INVESTIGATOR ACT

The Meat Packing Special Investigator Act will create the “Office of the Special Investigator for Competition Matters” within the USDA Packers and Stockyards Division. This USDA Special Investigator will have a team of investigators, with subpoena power, dedicated to addressing anticompetitive practices in the meat packing industry and enforcing antitrust laws. They will work in coordination and act in consultation with the DOJ and the Federal Trade Commission.

In light of the recent cyberattack, the office will also create a new bridge between the USDA and the Department of Homeland Security to ensure the continuation of the food supply, protect critical agricultural infrastructure, and safeguard national security. With a team of dedicated staff, the USDA will have the ability to deeply investigate issues facing producers, safeguard producers by enforcing the Packers and Stockyards Act, and protect America's food supply chain and national security.